

ROPE & GRAY

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December 30, 1988

Ms. Noreta R. McGee, Secretary
 Interstate Commerce Commission
 Twelfth Street and Constitution Avenue, N.W.
 Washington, D.C. 20423

Dear Secretary:

On behalf of our client, Security Pacific Equipment Leasing, Inc., enclosed are an original and one counterpart of the documents described below to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

The documents (the "Documents") are:

- (1) Collateral Assignment and Security Agreement, dated as of June 25, 1988 ("Collateral Assignment"), a Primary Document.
- (2) Lease Agreement, dated as of June 25, 1988 ("Headlease"), a Primary Document.
- (3) Restated Lease Agreement, dated as of June 25, 1988 (the "Sublease"), a Primary Document which is related to:
 - (a) Lease Agreement, dated as of December 30, 1987, a Primary Document, filed with the Interstate Commerce Commission on January 4, 1988 and assigned Recordation No. 15440; and
 - (b) Lease Supplement No. 1, dated as of December 31, 1987, a Secondary Document, filed with the Interstate Commerce Commission on January 4, 1988 and assigned Recordation No. 15440-A.
- (4) German Lessor Security Agreement, dated as of June 30, 1988 (the "German Lessor Security Agreement"), a Primary Document.



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The Primary documents to which documents numbered (1), (2) and (4) are related are the Collateral Assignment, the Headlease and the German Lessor Security Agreement referred to above, for which no recordation numbers have yet been issued.

All capitalized terms used herein without definition have the meanings assigned thereto in Restated Schedule X to the Headlease.

The names and addresses of the parties to the Documents are as follows:

Secured Party in Document (1), Lessor in Document (2) and Debtor in Document (4):

DB Export-Leasing GmbH
Taunusanlage 12
D-6000 Frankfurt am Main 1
Federal Republic of Germany

Debtor in Document (1), Lessee In Document (2), Lessor in Document (3) and Secured Party in Document (4):

Security Pacific Equipment Leasing, Inc.
Four Embarcadero Center
Suite 1200
San Francisco, CA 94111
Attention: Manager, Operations Department LEV

Lessee in Document (3):

Massachusetts Bay Transportation Authority
Ten Park Plaza
Boston, MA 02116
Attention: Treasurer-Controller

A description of the equipment covered by the Documents follows:

34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH (the "Manufacturer") pursuant to the Purchase Agreement, dated August 7, 1985, as amended, between the Manufacturer and Massachusetts Bay Transportation Authority ("MBTA") and identified by MBTA vehicle identification numbers 500 through 516, inclusive, and 1500 through 1516, inclusive.

A fee of \$40.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to Goodwin, Procter & Hoar, Exchange Place, Boston, MA 02109, Attention: F. Beirne Lovely, Jr., Esq.

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December 30, 1988

A short summary of the Documents to appear in the index follows:

1. Primary Document. Collateral Assignment and Security Agreement, dated as of June 25, 1988, between DB Export-Leasing GmbH ("DBX"), Taunusanlage 12, D-6000 Frankfurt am Main 1, Federal Republic of Germany, as secured party, and Security Pacific Equipment Leasing, Inc. ("Security Pacific"), Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as debtor, pursuant to which Security Pacific grants a security interest to DBX in, among other things, its rights and interests as lessor to a Restated Lease Agreement, dated as of June 25, 1988, between Security Pacific and Massachusetts Bay Transportation Authority, Ten Park Plaza, Boston, MA 02116, as lessee, including the rentals and other payments due thereunder.
2. Primary Document. Lease Agreement, dated as of June 25, 1988, between DB Export-Leasing GmbH, Taunusanlage 12, D-6000 Frankfurt am Main 1, Federal Republic of Germany, as lessor, and Security Pacific Equipment Leasing, Inc., Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as lessee with respect to the lease of 34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH.
3. Primary Document. Restated Lease Agreement, dated as of June 25, 1988, between Security Pacific Equipment Leasing, Inc., Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as lessor, and Massachusetts Bay Transportation Authority, Ten Park Plaza, Boston, MA 02116, as lessee, covering 34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH, which amends and restates the following documents previously filed with the Interstate Commerce Commission:
 - (a) Lease Agreement between Security Pacific Equipment Leasing, Inc., Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as lessor, and Massachusetts Bay Transportation Authority, Ten Park Plaza, Boston, MA 02116, as lessee, dated as of December 30, 1987, covering 34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH, a Primary Document filed with the Interstate Commerce Commission on January 4, 1988 and assigned Recordation No. 15440; and

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- (b) Lease Supplement No. 1 between Security Pacific Equipment Leasing, Inc., Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as lessor, and Massachusetts Bay Transportation Authority, Ten Park Plaza, Boston, MA 02116, as lessee, dated as of December 31, 1987, covering 34 commuter rail coaches constituting the equipment covered by the Lease Agreement dated December 30, 1987, a Secondary Document filed with the Interstate Commerce Commission on January 4, 1988 and assigned Recordation No. 15440-A.
4. Primary Document. German Lessor Security Agreement, dated as of June 30, 1988, between DB Export-Leasing GmbH ("DBX"), Taunusanlage 12, D-6000 Frankfurt am Main 1, Federal Republic of Germany, as debtor, and Security Pacific Equipment Leasing, Inc. ("Security Pacific"), Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as secured party, pursuant to which DBX grants a security interest to Security Pacific in its interest in 34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH (the "Equipment") leased to Security Pacific pursuant to a Lease Agreement (the "Headlease"), dated as of June 25, 1988, between DBX and Security Pacific to secure Security Pacific's purchase option under the Headlease.

A short summary of the transaction of which the Documents are a part follows:

The Documents have been entered into in connection with the refinancing of a leveraged lease transaction (which originally closed on December 31, 1987) pursuant to an Agreement to Purchase and Lease (the "Agreement to Purchase and Lease"), dated as of June 25, 1988, among Massachusetts Bay Transportation Authority (the "Sublessee"), Security Pacific Equipment Leasing, Inc. (the "U.S. Lessor"), DB Export-Leasing GmbH (the "German Lessor"), Deutsche Credit Corporation (the "Purchaser"), New England Merchants Funding Corporation (the "Original Noteholder") and Wilmington Trust Company, not in its individual capacity (except as therein provided) but solely as Indenture Trustee (the "Indenture Trustee"). In accordance with the Agreement to Purchase and Lease, the U.S. Lessor will transfer title to 34 commuter rail coaches (the "Equipment") currently leased to the Sublessee to the German Lessor and lease the Equipment back pursuant to a Lease Agreement, dated as of June 25, 1988 (the "Headlease"); the Equipment will continue to be leased to the Sublessee pursuant to a Restated Lease Agreement, dated as of June 25, 1988 (the "Sublease"). The purchase price of the

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December 30, 1988

Equipment will be financed in part by the sale by the German Lessor to the Purchaser pursuant to an Accounts Receivable Purchase Agreement No. 1, dated June 25, 1988 ("Accounts Receivable Purchase Agreement") of a portion of the rentals to be paid under the Headlease. The U.S. Lessor will use the cash proceeds of the sale to repay in full the loan made in 1987 by the Original Noteholder and the Indenture Trustee will discharge the Trust Indenture and Security Agreement, dated as of December 30, 1987, as supplemented by Trust Indenture Supplement No. 1, dated as of December 31, 1987 ("Indenture"), entered into by the U.S. Lessor. The U.S. Lessor will retain its original investment in the form of an ownership interest of a portion of the rentals secured by the Collateral Assignment described below. The obligations of the U.S. Lessor under the Headlease will be secured by an assignment to the German Lessor of the U.S. Lessor's interest in the Sublease, among other things, pursuant to a Collateral Assignment and Security Agreement, dated as of June 25, 1988 (the "Collateral Assignment") and the obligations of the German Lessor under the Accounts Receivable Purchase Agreement will be secured by an assignment to the Purchaser of the German Lessor's interest in the Equipment, the Headlease and the Collateral Assignment. In addition, the German Lessor will grant a second security interest in the Equipment to the U.S. Lessor pursuant to a German Lessor Security Agreement, dated as of June 25, 1988, to secure the purchase option given to the U.S. Lessor under the Headlease.

The names and addresses of the other parties to such transaction are:

Purchaser of Accounts Receivable under the Headlease and Secured Party:

Deutsche Credit Corporation
2333 Waukegan Road
Deerfield, Illinois 60015

and, only for the purposes of agreeing to the prepayment of the note held by the Original Noteholder and the discharge of the Indenture:

Original Noteholder:

New England Merchants Funding Corporation
28 State Street
Boston, MA 02109
Attention: Halsey B. Collins, Esq.

Indenture Trustee:

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December 30, 1988

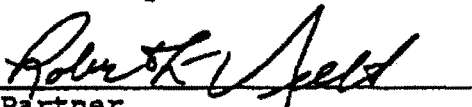
Wilmington Trust Company, as Indenture Trustee
under the Trust Indenture and Security Agreement,
dated as of December 30, 1987
Rodney Square North
Wilmington, DE 19890
Attention: Corporate Trust Administration

Please acknowledge receipt of this letter of transmittal and its enclosures by appropriately stamping the enclosed copy of this letter and by returning it to Mr. Lovely in the addressed envelope enclosed for your convenience.

Very truly yours,

Ropes & Gray

By


Partner

Enclosures: Collateral Assignment and Security Agreement -
Two Original Counterparts and One Notarized Copy
of each Counterpart
Lease Agreement - Original and Notarized Copy
Restated Lease Agreement - Original and Notarized Copy
German Lessor Security Agreement -
Original and Notarized Copy
Transmittal Letter (Copy)
Check (\$40.00)
Return Envelope (Postage Prepaid)

Received _____

Date:

Interstate Commerce Commission
Washington, D.C. 20423

12/30/88

OFFICE OF THE SECRETARY

Ropes & Gray
225 Franklin Street
Boston, MA. 02110

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/30/88 at 11:55am, and assigned recordation number(s). 16131 16131-A, 16131-B & 16131-C

Sincerely yours,

Nanta L. McEuen

Secretary

Enclosure(s)

All right, title and interest in and to this Lease Agreement and the Equipment covered hereby on the part of DB Export-Leasing GmbH, as Lessor, have been assigned to and are subject to a security interest in favor of Deutsche Credit Corporation under the Accounts Receivable Purchase Agreement, dated as of June 25, 1988 (as such Accounts Receivable Purchase Agreement may be amended or supplemented as permitted thereby). This Lease Agreement has been executed in several counterparts. Only the original counterpart contains the receipt therefor executed by Deutsche Credit Corporation, as secured party, immediately following the signature page thereof.

[Headlease]

LEASE AGREEMENT

Dated as of June 25, 1988

Between

DB EXPORT LEASING GmbH,
Lessor,

and

SECURITY PACIFIC EQUIPMENT LEASING, INC.,
Lessee.

34 Messerschmitt-Bolkow-Blohm Commuter Rail Coaches

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DEC 30 1988 11 22 AM

INTERSTATE COMMERCE COMMISSION

All right, title and interest in and to this Lease Agreement and the Equipment covered hereby on the part of Security Pacific Equipment Leasing, Inc., as Lessor, have been assigned to and are subject to a security interest in favor of DB Export-Leasing GmbH under the Collateral Assignment and Security Agreement, dated as of June 25, 1988 (as such Collateral Assignment and Security Agreement may be amended or supplemented as permitted thereby) which security interest has been assigned to Deutsche Credit Corporation pursuant to the Accounts Receivable Purchase Agreement, dated as of June 25, 1988 (as such Accounts Receivable Purchase Agreement may be amended or supplemented as permitted thereby). This Lease Agreement has been executed in several counterparts. Only the original counterpart contains the receipt therefor executed by DB Export-Leasing GmbH, as secured party, and by Deutsche Credit Corporation, as assignee, immediately following the signature page thereof.

[Sublease]

RESTATED LEASE AGREEMENT

Dated as of June 25, 1988

Between

SECURITY PACIFIC EQUIPMENT LEASING, INC.,
Lessor,

and

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY,
Lessee.

34 Messerschmitt-Bolkow-Blohm Commuter Rail Coaches

1 6131 - B

DEC 3 1988 11 22 AM

INTERSTATE COMMERCE COMMISSION

COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

Dated as of June 25, 1988

Between

DB EXPORT-LEASING GmbH,

Secured Party,

and

SECURITY PACIFIC EQUIPMENT LEASING, INC.,

U.S. Lessor

1 6131/B
DEC 24 1988 11:31 AM
INTERNATIONAL COMMERCE COMMISSION

COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

Dated as of June 25, 1988

Between

DB EXPORT-LEASING GmbH,

Secured Party,

and

SECURITY PACIFIC EQUIPMENT LEASING, INC.,

U.S. Lessor

1 6131 C

RECEIVED BY TELETYPE UNIT

DEC 8 1998 11 52 AM

INTERSTATE COMMERCE COMMISSION

GERMAN LESSOR SECURITY AGREEMENT

dated as of June 30, 1988

between

DB EXPORT-LEASING GmbH,

as debtor

and

SECURITY PACIFIC EQUIPMENT LEASING, INC.

as secured party
